

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA

In re:)	
)	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> ,)	
)	Case No. 23-00623 (TJC)
Debtors.)	
)	(Jointly Administered)
)	
)	
)	

NOTICE OF PROPOSED AGREED ORDER RESOLVING MCKESSON
DISTRIBUTION MOTION

TO ALL CREDITORS AND PARTIES IN INTEREST:

WHEREAS, on February 1, 2024, McKesson Corporation (“McKesson”) filed *McKesson Corporation’s Motion for Order Authorizing and Directing the Distribution of Proceeds from the Sale of the Debtors’ Assets and for Relief from Stay* [Docket No. 701] (the “Distribution Motion”). Pursuant to the Distribution Motion, McKesson seeks an order, among other things, directing Mercy Hospital, Iowa City, Iowa (“Mercy”) and certain of its affiliates and subsidiaries, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) to remit a portion of the Sale Proceeds¹ to McKesson in satisfaction of the McKesson Claim and relief entered in the Second Interim Cash Collateral Order.

WHEREAS, the Debtors have discussed the Distribution Motion with McKesson and the parties have agreed to the proposed order attached hereto as Exhibit A (the “Proposed Order”).

WHEREAS, the deadline to object to the Distribution Motion was February 15, 2024 [Docket No. 702]. No party objected to the McKesson Motion.

NOTICE IS HEREBY GIVEN THAT the Proposed Order resolves the Reconsideration Motion on the terms set forth in the Proposed Order. The Debtors and McKesson are seeking entry of the Proposed Order in advance of the hearing scheduled for February 22, 2024 so as to eliminate the need for McKesson’s counsel to participate.

DATED this 19th day of February, 2024

Respectfully Submitted,

NYEMASTER GOODE, P.C.

¹ Capitalized terms used herein but not otherwise defined shall having the meaning ascribed to them in the Distribution Motion.

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Certificate of Service

The undersigned certifies, under penalty of perjury, that on this February 16, 2024, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of this case

/s/ Roy Leaf

EXHIBIT A

Agreed Proposed Order

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA
CEDAR RAPIDS DIVISION**

In re: MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> , Debtors.	Chapter 11 Case No. 23-00623 (TJC) (Jointly Administered)
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**[PROPOSED] AGREED ORDER GRANTING MCKESSON CORPORATION'S
MOTION FOR ORDER AUTHORIZING AND DIRECTING THE DISTRIBUTION OF
PROCEEDS FROM THE SALE OF THE DEBTORS' ASSETS AND
RELIEF FROM STAY**

Upon the Motion (the "Motion")¹ of McKesson Corporation and its affiliates ("McKesson"), for entry of an order: (1) authorizing and directing the distribution of proceeds from the Sale to McKesson upon closing, and (2) for relief from the automatic stay pursuant to 11 U.S.C. § 362(d) in order to effectuate the distribution; all as more fully set forth in the Motion; and it appearing the relief requested in the Motion is reasonable and in the best interests of the Debtors' estates, their creditors, and other parties in interest; and good cause appearing, therefor,

IT HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. McKesson is granted relief from the automatic stay pursuant to 11 U.S.C. § 362(d)(1) and (2) to effectuate the distribution contemplated in the Motion.
3. The Debtors are authorized and directed to distribute \$343,329.78 to McKesson, which amount fully satisfies the McKesson Claim, the McKesson Fees and Expenses, and all prepetition claims, administrative claims, and claims arising under the Second Interim Cash Collateral Order held by McKesson.
4. Notwithstanding the possible applicability of Federal Rules of Bankruptcy Procedure 6004(h), 9014, or otherwise, the terms and conditions of this order are immediately effective and enforceable.

¹ Capitalized terms used but not defined herein have the meanings given to them in the Motion.

5. The Court retains jurisdiction and power with respect to all matters arising from or related to the implementation and interpretation of this order.

Dated and entered _____

Honorable Thad J. Collins, Chief Judge

Prepared and Consented to By:

/s/Nicholas F. Miller

BRICK GENTRY P.C.

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BUCHALTER, A Professional Corporation

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